

PATENT

Application Serial No. 09/994,810
Attorney Docket No. 01-050

REMARKS

Claims 1 - 63 and 76 - 83 are pending in the present application.

Claims 1, 32, 53, 62, 76 and 83 are independent.

Claim 16 has been amended to correct a typographical error. No amendment was made for a reason related to patentability.

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Section 101 Rejections

Claims 1 - 63 and 83 stand rejected as being non-statutory. Applicants traverse the Examiner's Section 101 rejection. There has been no *prima facie* showing that any claim is nonstatutory.

The basis for this rejection is that the claims recite steps which can all "be performed in the mind of the user or by use of a pencil and paper". Office Action, page 3, second paragraph. Whether or not this assertion is true, it is immaterial to the determination of whether the claims are directed to statutory subject matter. We note that there is no case cited for this proposition, nor is this proposition found in or implied by any of the various cases that the Examiner cites for other propositions.

Because the basis for rejection (not performable in the mind of the user or by use of a pencil and paper) is not found in any case law, the Examiner has instead equated this erroneous basis with a standard that is in fact found in the case law- whether the claims are mere "abstract ideas".

The Examiner's reasoning is wrong because the case law recognizes no such equivalence or inference between an "abstract idea" and "performable in the mind or by pencil and paper".

Moreover, the Examiners own admissions contradict the assertion that the claims are a mere "abstract idea". The Examiner agrees with Applicants that all claims produce a useful, concrete and tangible result. Office Action, page 4. A claim that produces a useful, concrete and tangible result is, by definition, not a mere abstract idea. See State Street Bank v. Signature Financial Trust, 149 F.3d 1368, 47 USPQ2d 1596 (Fed. Cir. 1998), cert. denied, 119 S. Ct. 851 (1999).

Therefore, as the rejection is based on an incorrect legal foundation, there has been no *prima facie* showing that the claims are invalid under Section 101.

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Attorney Docket No. 01-050**Section 112 Rejections**

Claims **62 - 63** stand rejected as being indefinite. Applicants respectfully traverse the Examiner's Section 112 rejection. There has been no *prima facie* showing that any claim is indefinite.

The basis for the rejection is generally that "there is no interrelationship between this recitation in the preamble and the body of the claim". This has no bearing on the actual test for definiteness of a claim.

The definiteness inquiry focuses on whether those skilled in the art would understand the scope of the claim when the claim is read in light of the rest of the specification. Union Pac. Resources Co. v. Chesapeake Energy Corp., 236 F.3d 684, 692 (Fed. Cir. 2001); Orthokinetics, Inc. v. Safety Travel Chairs, Inc., 806 F.2d 1565, 1576 (Fed. Cir. 1986). "If the claims when read in light of the specification reasonably apprise those skilled in the art of the scope of the invention, § 112 demands no more." Miles Laboratories, Inc. v. Shandon, 997 F.2d 870, 875 (Fed. Cir. 1993).

Accordingly, the claims are not indefinite. Nevertheless, the preamble of claim **62** has been amended solely to expedite prosecution and issuance of the present application which has already been pending for an inordinate amount of time. Since the preamble of claim **62** before amendment contained no claim limitations, but only an intended field of use, the scope of each of claims **62 and 63** after amendment is unchanged.

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Claim 83 stands rejected as anticipated by Smith (WO 97/28510).

Claim 83 has been canceled solely to expedite prosecution and issuance of the present application which has already been pending for an inordinate amount of time. Nevertheless, there has been no *prima facie* showing that claim 83 is anticipated.

The cancellation of the rejected claim is not an admission that we agree with either the Examiner's construction of the claims or interpretation of Smith.

The cancellation of the rejected claim is not an admission that Smith is in fact prior art under 35 U.S.C. § 102(a), as asserted by the Examiner.

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Attorney Docket No. 01-050**Section 103(a) Rejections**

Claims 1, 2, 6 - 9, 14, 17, 30, 31, 33, 34, 62, 63 and 76-82 are rejected as being unpatentable over Smith. Claims 10 - 12, 15, 16, 32, 50 and 51 are rejected as being unpatentable over a combination of Smith and Levasseur (U.S. Patent No. 5,029,098).

Applicants respectfully traverse the Examiner's Section 103(a) rejections. There has been no *prima facie* showing that the claims are obvious.

The obviousness rejections of all claims appears to be based on the assumption that product identifiers need be stored. The Examiner has provided no evidence in the record for this assertion. Accordingly, no substantial evidence exists to support this factual predicate of the obviousness rejection.

Specific additional limitations for certain claims are further argued below.

CLAIMS 10 - 12

Claim 10 recites:

measuring a second product demand corresponding to a number of times the second product is selected when the first product is unavailable; and

Claim 10 also recites:

if the second product demand meets a predefined criterion,

storing a second product identifier corresponding to the second product as the substitute product identifier

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Smith has nothing to do with *product demand*, much less *measuring product demand* or doing anything *if product demand meets a predefined criterion*.

The use of demand in Levasseur makes in inappropriate to combine with Smith in the manner the Examiner proposes.

Levasseur is concerned with matching product stocking of a vending machine to the demand for various products to be vended therefrom. Col. 1, lines 22 - 25. The Levasseur system is intended to facilitate the identification of mismatch conditions between a vend space allocation scheme and actual product demand or the degree of conformance of such vend space allocation scheme to product demand norms. Col. 2, lines 50 - 57. Thus, the Levasseur system is directed to conforming vend space allocation to product demand norms for the various product selections. Col. 2, line 57 - Col. 3, line 8.

Thus, Levasseur has nothing to do with the limitations of claims 10 - 12, and it is therefore not combinable with Smith in the manner proposed.

The stated motivation for the combination is "since a customer will likely purchase a substitute product that has a high demand". Office Action, page 8. This motivation is found nowhere in any reference. The prior art must suggest the desirability of the claimed invention. MPEP 2143.01. Absent a motivation in the prior art of record, there is no *prima facie* showing of obviousness.

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Claim 16 recites:

*determining a second product demand for the second product, and
if the second product demand is higher than the demand for each of
the plurality of products:*

As described above, Levasseur is concerned with matching product stocking of a vending machine to the demand for various products to be vended therefrom.

Levasseur (as well as Smith) does not involve determining if demand for any product is higher than demand for any other product. In fact, such a determination would be useless to the described system of Levasseur.

Consequently, Levasseur has nothing to do with the limitations of claim 16, and it is therefore not combinable with Smith in the manner proposed.

CLAIMS 17 and 34

Claims 17 and 34 generally recite that the offering step further comprises:

offering the substitute product at a discounted price

The cited portions of Smith have nothing to do with the substitute product being offered at a discount price. Consequently, Smith does not render the claim obvious.

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Claim 32 recites:

*measuring a demand for each of a plurality of products;**determining from the demand a substitute product for a first product;**and*

As described above, Levasseur is concerned with matching product stocking of a vending machine to the demand for various products to be vended therefrom.

Levasseur (as well as Smith) does not involve determining *determining a substitute product for a first product from any sort of demand*. In fact, such a determination would be useless to the described system of Levasseur.

Consequently, Levasseur has nothing to do with the limitations of claim 16, and it is therefore not combinable with Smith in the manner proposed.

Claims 51 and 52 depend on claim 32, and likewise have not been shown to be obvious.

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CLAIMS 62 and 63

Claim 62 recites:

if the product is unavailable:

storing an indication that the selected product is unavailable.

The cited portions of Smith have nothing to do with availability of any product, much less *storing an indication that the selected product is unavailable.*

Claim 63 depends on claim 62, and so the deficiencies explained above are equally applicable to claim 63.

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Attorney Docket No. 01-050**Obviousness-type Double Patenting Rejections**

Claims 1 - 63 and 76 - 83 stand rejected for obviousness-type double patenting in light of U.S. Patent No. 6,324,520. A *prima facie* case of double patenting has not been shown.

The rejection is based on two incorrect statements of law:

(a) in a double patenting rejection, it is *prima facie* obvious to "remove limitations" from a patented claim if the claims "perform a similar function".

(b) if a claim is obvious, its dependent claims must be obvious as well.

The rejection of pending claims 1, 32, 53, 62, 76, 83 is premised on reason (a) above.

The rejection of pending claims 2 - 31, 33 - 52, 54 - 61, 63 and 77 - 83 is premised on reason (b) above.

With respect to reason (a) above, the legal premise is incorrect. The cited case of In re Karlson, 311 F.2d 581, 136 U.S.P.Q. 184 (C.C.P.A. 1963) predates and was overruled by the Supreme Court's authoritative test for obvious, set forth in Graham v. John Deere, 383 U.S. 1 (1966). Similarly, the Board decision in Ex parte Rainu, 168 U.S.P.Q. 375 (BPAI 1969), itself relies on a case, Richards v. Chase Elevator Co., 159 U.S. 477 (1895) that was overruled by Graham v. John Deere.

The PTO is obliged to apply the Graham test in any determination of obviousness. See, e.g., MPEP 2143. Since the proper Graham analysis has not been applied, there has been no showing that any claim, especially those rejected under reason (a), is obvious for double patenting.

With respect to reason (b) above, it is well-settled law that obviousness of a claim does not necessarily imply that any dependent claim is obvious. Since the proper Graham analysis has not been applied, there has been no showing that any claim, especially those rejected under reason (a), is obvious for double patenting.

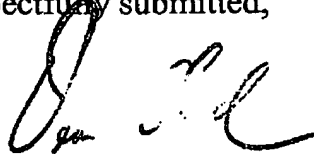
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Application Serial No. 09/994,810
Attorney Docket No. 01-050**Conclusion**

For the foregoing reasons it is submitted that all of the claims are now in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Dean Alderucci at telephone number 203-461-7337 or via electronic mail at Alderucci@WalkerDigital.com.

Respectfully submitted,

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Dean Alderucci
Attorney for Applicants
Registration No. 40,484
Alderucci@WalkerDigital.com
203-461-7337 / voice
203-461-7300 / fax